

## AKRA 6M 2012 audited financial results released; Net Income 6M 2012 increased 23% YOY to 297 Billion

**JAKARTA, September 27, 2012** - PT AKR Corporindo Tbk ("AKRA" or the Company) today announced its consolidated financial statements for the six months ended on 30 June 2012 . The audit was conducted by Public Accountant Purwantono, Suherman & Sanjaya (A member firm of Ernst & Young Global Limited) with unqualified audit opinion.

AKRA sales revenue performance during the first semester recorded 18% increase to Rp 10,715 billion compared to Rp 9,061 billion during the first semester of the year 2011. Net Profit for the 6 months ended 30th June 2012 attributable to the Equity holders of the Parent entity increased 23% to Rp 297.6 billion compared to core net profit from continuing operations of Rp 241.4 billion during the 6 months ended 30th June 2011.

Gross profit grew 33% YOY during the 6 months ended 30th June 2012 to Rp 622 billion from Rp.467 billion during the 6 months ended 30th June 2011. Profit from operations increased 37.6% to Rp 391.6 billion during 6M 2012 compared to Rp 284.6 billion during 6 M 2011.

Total comprehensive income for the period ended 30th June 2012 is Rp 382.5 billion including the exchange difference due translation of financial statements. Consolidated income for the 6 months ended 30th June 2011 of Rp 1,893 billion includes Rp 1,690 billion from the sale of discontinued operations during the year 2011.

Effective 1 January 2012, AKR has implemented the Indonesian statement of Financial Accounting Standards (PSAK ) No 10 ( Revised 2010) " The Effects of Changes in Foreign Exchange rates" which became effective as of January 1,2012 and is applied retrospectively. The Company determined that its functional currency is US Dollar but decided that the presentation currency for the consolidated financial statements is Indonesian Rupiah for consistency with the previous presentation currency.

Petroleum distribution contributed 79% to the Company's consolidated revenues while Basic Chemical distribution contributed 14% to consolidated revenues during the 6 months ended 30th June 2012.

**Table 1. Highlight of P& L for the 6 months ended June 30 2012/2011**

Description (in IDR billion)	6M12	6M11
Revenues	10,715.7	9,061.3
Gross Profit	621.7	467.3
Operating Income	391.6	284.6
<b>Net Profit</b>	<b>297.6</b>	<b>241.4</b>

**Table 2. Highlight Balance Sheet for the 6 months ended June 30 2012/2011**

Description (in IDR billion)	30-Jun-12	31-Dec-11
Assets	9,572	8,418
Liabilities	5,587	4,746
Equity	3,985	3,672

## Trading and distribution revenue grew 18.8 % YOY

The Company reported 18.8% growth in revenue from Trading and distribution of Petroleum and basic chemicals during 6M 2012 of Rp 10,020 billion, compared to Rp 8,437 billion during the same period in previous year.

- Petroleum distribution revenue increased 18% YoY to Rp 8,508 billion during 6M 2012 from Rp 7,208 billion during the previous year,
- Basic chemicals distribution business registered growth of 23.1% to Rp 1,513 billion during 6M 2012 compared to Rp 1,229 billion during the same period in the previous year,
- Manufacturing segment recorded a flat sales revenue of Rp 393 billion during 6M 2012 compared to Rp 372 billion during the previous year.
- Logistics business comprising of port operations in Indonesia and China and rental of tanks, trucks recorded revenue of Rp 303 billion during 6M 2012.

## Strong Financial Position

The Company continues to report a strong financial position as at June 30, 2012, with the key figures being

- Cash and cash equivalents Rp 1,774 billion
- Shareholder equity Rp 3,985 billion
- Total Assets Rp 9,572 billion
- Total Liabilities Rp 5,587 billion

**Table 3. Key Ratios**

Ratios	Unit	6M12	6M11
<b>Profitability</b>			
Gross margin	%	5.8%	5.2%
Operating margin	%	3.7%	3.1%
Net margin	%	2.8%	2.7%

  

		30-Jun-12	31-Dec-11
<b>Balance Sheet Ratios *</b>			
Return On Asset *	%	6.2%	7.4%
Return On Equity *	%	15.7%	17.8%
Total asset turnover	x	2.2	2.2
Receivable period	days	44	42
Inventory period	days	14	25
Payable period	days	51	68
Cash conversion cycle	days	7	-1

  

<b>Leverage</b>			
Current ratio	x	1.3	1.4
Asset / equity	x	2.5	2.3
Net gearing	x	0.1	-0.1

\* Annualized

## Prospects and Strategy

AKRA's petroleum and basic chemical distribution business caters to industrial customers in Indonesia supplying fuel and raw material requirements which are experiencing consistent growth driven by the economic growth in Indonesia.

The company's volume of petroleum sold to Mining, bunker, industrial, commercial and retail sector continues to grow with the company investing in new infrastructure facilities in new areas of Eastern Indonesia. Additional tank storage terminals and facilities such as Jetties, vessels, Self propelled oil barges are being commissioned to serve new markets. The company is also providing value added services to the customers such as Fuel Management systems to increase sales to targeted sectors.

Basic chemicals is expected to grow at a consistent pace with the demand for basic chemicals in sectors such as textiles, construction, chemicals and other consuming industries continuing to increase. The Company is also investing in additional chemical storage facilities to cater to the increasing demand.

The Company's network of Petroleum and Chemical terminals now covers 19 locations in major Sea Ports and Inland location. Leveraging on its infrastructure, continues to supply Petroleum and basic Chemicals and provides logistics facilities in Indonesia.

**Table 4. Financial Results for the 6 months ended June 30, 2012 (In Rp billion)**

<b>STATEMENTS OF INCOME (IDR billion)</b>	<b>6M12</b>	<b>6M11</b>	<b>Increase</b>
<b>Sales and Revenues</b>	<b>10,715.7</b>	<b>9,061.3</b>	<b>18.3%</b>
Cost of Sales and Revenues	-10,094.0	-8,594.0	
<b>Gross Profit</b>	<b>621.7</b>	<b>467.3</b>	<b>33.0%</b>
General and administrative	-154.3	-148.7	
Selling expenses	-37.2	-48.0	
Gain from sales of property, plant and equipment, net	0.3	0.7	
Foreign exchange gain (loss), net	-34.7	32.1	
Miscellaneous, net	-4.1	-18.8	
<b>Profit from Operations</b>	<b>391.6</b>	<b>284.6</b>	<b>37.6%</b>
Finance income	12.9	36.7	
Finance costs	-25.4	-20.0	
Share in loss of associates	-0.9	0.0	
<b>Profit Before Tax</b>	<b>378.2</b>	<b>301.3</b>	<b>25.5%</b>
Tax expense, net	-93.5	-64.2	
<b>Profit for the period from continuing operations</b>	<b>284.7</b>	<b>237.1</b>	<b>20.1%</b>
Profit for the period from discontinued operations	0.0	1,689.9	
Non-controlling interests	13.0	4.3	
Profit for the period attributable to equity holders of the parent	297.6	1,931.4	
<b>Core profit for the period attributable to equity holders of the parent</b>	<b>297.6</b>	<b>241.4</b>	<b>23.3%</b>
Gross margin	5.8%	5.2%	
Operating margin	3.7%	3.1%	
Net margin	2.8%	2.7%	

Table 5. Balance Sheet as at June 30, 2012 compared to December 31, 2011

STATEMENTS OF FINANCIAL POSITION (IDR billion)	30-Jun-12	31-Dec-11
<b>Current assets</b>	<b>5,820</b>	<b>5,227</b>
Cash and cash equivalents	1,774	1,330
Trade receivables	2,593	2,145
Other receivables	50	44
Inventories	796	1,238
Prepaid expenses and taxes	378	310
Other current assets	230	160
<b>Non-current asset</b>	<b>3,752</b>	<b>3,191</b>
Property, plant and equipment	2,943	2,582
Other non-current assets	808	609
<b>TOTAL ASSETS</b>	<b>9,572</b>	<b>8,418</b>
<b>Current liabilities</b>	<b>4,650</b>	<b>3,860</b>
Trade payables	2,827	3,318
Other payables	136	108
Advances from customers	117	6
Accrued expenses	105	139
Bank loans	1,380	191
Other short-term liabilities	85	98
<b>Non-current liabilities</b>	<b>937</b>	<b>886</b>
Long-term bank loans	844	808
Other long-term liabilities	93	78
<b>Equity attributable to the equity holders of the parent</b>	<b>3,798</b>	<b>3,479</b>
<b>Minority interest</b>	<b>187</b>	<b>193</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>9,572</b>	<b>8,418</b>

**Haryanto Adikoesoemo**  
President Director

For further information, please contact:

**V Suresh**  
Director  
Telp +62 21 531 1177

**Heri Akhyar**  
Head of Investor Relations  
Telp: +62 (21) 531 1110  
Email: heri.akhyar@akr.co.id



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